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## Canada

### Agricultural Situation

### This Week in Canadian Agriculture, Issue 18

**2006**

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**Report Highlights:**

GOC Expresses Disappointment at the Suspension of Doha Round Talks \* Canadian Cattlemen See Opportunities Lost \* Canadian Pork Council Urges GOC to Work Toward Resumption of Trade Talks \* CAFTA Lays Blame for Doha Round Suspension \* GOC Meets with Farmers on Marketing Choice For Wheat and Barley

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Includes PSD Changes: No  
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[CA]

This Week in Canadian Agriculture is a weekly review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives.

*Disclaimer:* Any press report summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

**GOVERNMENT OF CANADA EXPRESSES DISAPPOINTMENT AT THE SUSPENSION OF WTO DOHA DEVELOPMENT ROUND NEGOTIATIONS:**

The Honourable David L. Emerson, Minister of International Trade, and the Honourable Chuck Strahl, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, have expressed their disappointment following the suspension of the latest round of WTO negotiations. "Despite enormous efforts by all WTO members and 11th-hour meetings between G6 participants, the gaps in negotiating positions proved to be too large to bridge within the current time frame," said Minister Emerson. "This is very disappointing for Canada and for all developed and developing countries, given the significant economic benefits that could have been achieved through an ambitious outcome to these negotiations. Canadian agricultural producers and processors, as well as other manufacturers and service providers, would benefit from the expanded market access that the Doha Round was aiming to achieve," Emerson added. "Although this is a serious setback, Canada remains committed to pursuing opportunities and seeking a fairer international trade environment for our agricultural producers and processors," said Minister Strahl. "We will continue to advance the interests of Canada's agriculture sector, including both supply-managed and export-oriented industries."

**CANADIAN CATTLEMEN SEE OPPORTUNITIES LOST:** The Canadian Cattlemen's Association expressed deep disappointment with the suspension of the WTO negotiations. "Every Canadian farmer or rancher who depends on international trade has been dealt a serious setback," said CCA President Hugh Lynch-Staunton, "The export-dependent sectors account for nearly ninety percent of Canadian agriculture and the Doha Round of negotiations was aimed at completing the unfinished work from the Uruguay Round, which concluded in 1994. We have made a great deal of progress since the Uruguay Round was completed," stated Lynch-Staunton. "The Doha Round provides the opportunity to build on those gains made by further cutting levels of production and trade distorting subsidies, eliminating export subsidies and reducing barriers to market access. The question now is whether we will be able to find the political will to resume negotiations and finish the work that has been started."

**CANADIAN PORK COUNCIL URGES GOC TO WORK TOWARD RESUMPTION OF TRADE TALKS:**

Canadian Pork Council President Clare Schlegel told *Farmscape.ca* that the breakdown of the world trade talks was a disappointing setback. He said that the multilateral trading platform is key to the pork industry having access to markets around the world. It's key to having our agricultural policies in North America more similar and to reduce distortions and make a fair and level playing field around the world. Schlegel added that Canadian farmers, particularly on pork and beef farms, have benefited significantly from the Uruguay round, and they were looking forward to increased opportunities. He urged the Canadian government to play an influential role in kick-starting a resumption of the negotiations.

**CAFTA LAYS BLAME FOR DOHA ROUND SUSPENSION:** The Canadian Agri-Food Trade Alliance (CAFTA), representing Canadian agricultural producers, processors and exporters of more than 80% of Canadian international sales, issued a press release blaming the G6 countries (Australia, Brazil, European Union, India, Japan and the United States) for breaking promises to the agriculture and food industry around the world, abandoning those in the world's poorest countries, and putting politics before progress in the Doha Round of WTO negotiations. In a news release, CAFTA President Liam McCreery said that "When the round was launched, WTO member countries pledged to address support and protection in an ambitious manner to benefit the world economy. They continued to make that pledge throughout the five years of negotiations, but not one country has been willing to live up to the promise and break the current negotiating impasse. Those of us who have pinned our hopes for the future on reduced subsidies and access barriers now face an indefinite continuation of unfair subsidies

and closed markets. Without a complete agreement, all of the commitments made so far are lost," said McCreery. "Without a deal, export subsidies can continue increase. Trade distorting domestic subsidies can continue with little discipline, and countries can continue to impose (high) tariffs. As the world's 4<sup>th</sup> largest (agricultural) exporter, Canada has a lot at stake in the Doha Round." McCreery added that Canada should become the consensus builder to bridge the differences and save the round.

**GOC MEETS WITH FARMERS ON MARKETING CHOICE FOR WHEAT AND BARLEY:** This week, David Anderson, Parliamentary Secretary (for the Canadian Wheat Board) to the Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, re-stated the commitment of Canada's new government to moving forward on dual marketing and chaired a Marketing Choice Roundtable Meeting with western Canadian grain producers on July 27, in Saskatoon. "Canada's new government campaigned on the idea that western Canadian wheat and barley producers should have a choice whether to market their products through the Canadian Wheat Board," said Parliamentary Secretary Anderson. "We must now develop the road map for a successful and logical transition to a new marketing environment in an open and transparent manner. In the process we will consult widely with stakeholders." This meeting was designed to provide a preliminary occasion to outline and discuss the options for dual marketing. No decisions will be made at this time. According to Anderson, the main purpose for the closed-door session was to examine how to best provide farmers with the freedom of choice while maintaining a strong and profitable Wheat Board.

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